

ASSEMBLY BILL

No. 1870

Introduced by Assembly Member Alejo

February 19, 2014

An act to amend Section 1777.5 of the Labor Code, relating to public works.

LEGISLATIVE COUNSEL'S DIGEST

AB 1870, as introduced, Alejo. Public works: prevailing wage: multiemployer apprenticeship program grants.

Existing law requires that, except as specified, not less than the general prevailing rate of per diem wages, determined by the Director of Industrial Relations, be paid to workers employed on public works projects. Under existing law, an apprentice employed upon public works is required to be paid the prevailing rate of per diem wages for apprentices in the trade to which he or she is registered and to be employed only at the work of the craft or trade to which he or she is registered, as specified.

Under existing law a contractor to whom a contract is awarded, who, in performing any of the work under the contract, employs journeymen or apprentices in any apprenticeable craft or trade is required to contribute to the California Apprenticeship Council the same amount that the director determines is the prevailing amount of apprenticeship training contributions in the area of the public works site. Existing law requires the California Apprenticeship Council to distribute the training contributions by making a grant to an approved multiemployer apprenticeship program serving the same craft or trade and geographical area for which the training contributions were made to the council, for the purpose of training apprentices. Under existing law, if there are 2

or more approved multiemployer apprenticeship programs serving the same craft or trade and geographical area for which the training contributions were made to the council, the grant is required to be divided among all those programs based on the number of apprentices registered in each program.

This bill would, if there are two or more approved multiemployer apprenticeship programs serving the same craft or trade and geographical area for which the training contributions were made to council, require the grant to be divided among all the approved multiemployer apprenticeship programs serving the same craft or trade in California based on the number of apprentices registered in each program.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 1777.5 of the Labor Code is amended to
2 read:

3 1777.5. (a) Nothing in this chapter shall prevent the
4 employment of properly registered apprentices upon public works.

5 (b) Every apprentice employed upon public works shall be paid
6 the prevailing rate of per diem wages for apprentices in the trade
7 to which he or she is registered and shall be employed only at the
8 work of the craft or trade to which he or she is registered.

9 (c) Only apprentices, as defined in Section 3077, who are in
10 training under apprenticeship standards that have been approved
11 by the Chief of the Division of Apprenticeship Standards and who
12 are parties to written apprentice agreements under Chapter 4
13 (commencing with Section 3070) of Division 3 are eligible to be
14 employed at the apprentice wage rate on public works. The
15 employment and training of each apprentice shall be in accordance
16 with either of the following:

17 (1) The apprenticeship standards and apprentice agreements
18 under which he or she is training.

19 (2) The rules and regulations of the California Apprenticeship
20 Council.

21 (d) When the contractor to whom the contract is awarded by
22 the state or any political subdivision, in performing any of the
23 work under the contract, employs workers in any apprenticeable
24 craft or trade, the contractor shall employ apprentices in at least

1 the ratio set forth in this section and may apply to any
2 apprenticeship program in the craft or trade that can provide
3 apprentices to the site of the public work for a certificate approving
4 the contractor under the apprenticeship standards for the
5 employment and training of apprentices in the area or industry
6 affected. However, the decision of the apprenticeship program to
7 approve or deny a certificate shall be subject to review by the
8 Administrator of Apprenticeship. The apprenticeship program or
9 programs, upon approving the contractor, shall arrange for the
10 dispatch of apprentices to the contractor. A contractor covered by
11 an apprenticeship program's standards shall not be required to
12 submit any additional application in order to include additional
13 public works contracts under that program. "Apprenticeable craft
14 or trade," as used in this section, means a craft or trade determined
15 as an apprenticeable occupation in accordance with rules and
16 regulations prescribed by the California Apprenticeship Council.
17 As used in this section, "contractor" includes any subcontractor
18 under a contractor who performs any public works not excluded
19 by subdivision (o).

20 (e) Prior to commencing work on a contract for public works,
21 every contractor shall submit contract award information to an
22 applicable apprenticeship program that can supply apprentices to
23 the site of the public work. The information submitted shall include
24 an estimate of journeyman hours to be performed under the
25 contract, the number of apprentices proposed to be employed, and
26 the approximate dates the apprentices would be employed. A copy
27 of this information shall also be submitted to the awarding body
28 if requested by the awarding body. Within 60 days after concluding
29 work on the contract, each contractor and subcontractor shall
30 submit to the awarding body, if requested, and to the apprenticeship
31 program a verified statement of the journeyman and apprentice
32 hours performed on the contract. The information under this
33 subdivision shall be public. The apprenticeship programs shall
34 retain this information for 12 months.

35 (f) The apprenticeship program that can supply apprentices to
36 the area of the site of the public work shall ensure equal
37 employment and affirmative action in apprenticeship for women
38 and minorities.

39 (g) The ratio of work performed by apprentices to journeymen
40 employed in a particular craft or trade on the public work may be

1 no higher than the ratio stipulated in the apprenticeship standards
2 under which the apprenticeship program operates where the
3 contractor agrees to be bound by those standards, but, except as
4 otherwise provided in this section, in no case shall the ratio be less
5 than one hour of apprentice work for every five hours of
6 journeyman work.

7 (h) This ratio of apprentice work to journeyman work shall
8 apply during any day or portion of a day when any journeyman is
9 employed at the jobsite and shall be computed on the basis of the
10 hours worked during the day by journeymen so employed. Any
11 work performed by a journeyman in excess of eight hours per day
12 or 40 hours per week shall not be used to calculate the ratio. The
13 contractor shall employ apprentices for the number of hours
14 computed as above before the end of the contract or, in the case
15 of a subcontractor, before the end of the subcontract. However,
16 the contractor shall endeavor, to the greatest extent possible, to
17 employ apprentices during the same time period that the
18 journeymen in the same craft or trade are employed at the jobsite.
19 Where an hourly apprenticeship ratio is not feasible for a particular
20 craft or trade, the Administrator of Apprenticeship, upon
21 application of an apprenticeship program, may order a minimum
22 ratio of not less than one apprentice for each five journeymen in
23 a craft or trade classification.

24 (i) A contractor covered by this section that has agreed to be
25 covered by an apprenticeship program's standards upon the
26 issuance of the approval certificate, or that has been previously
27 approved for an apprenticeship program in the craft or trade, shall
28 employ the number of apprentices or the ratio of apprentices to
29 journeymen stipulated in the applicable apprenticeship standards,
30 but in no event less than the 1-to-5 ratio required by subdivision
31 (g).

32 (j) Upon proper showing by a contractor that he or she employs
33 apprentices in a particular craft or trade in the state on all of his
34 or her contracts on an annual average of not less than one hour of
35 apprentice work for every five hours of labor performed by
36 journeymen, the Administrator of Apprenticeship may grant a
37 certificate exempting the contractor from the 1-to-5 hourly ratio,
38 as set forth in this section for that craft or trade.

39 (k) An apprenticeship program has the discretion to grant to a
40 participating contractor or contractor association a certificate,

1 which shall be subject to the approval of the Administrator of
2 Apprenticeship, exempting the contractor from the 1-to-5 ratio set
3 forth in this section when it finds that any one of the following
4 conditions is met:

5 (1) Unemployment for the previous three-month period in the
6 area exceeds an average of 15 percent.

7 (2) The number of apprentices in training in the area exceeds a
8 ratio of 1 to 5.

9 (3) There is a showing that the apprenticeable craft or trade is
10 replacing at least one-thirtieth of its journeymen annually through
11 apprenticeship training, either on a statewide basis or on a local
12 basis.

13 (4) Assignment of an apprentice to any work performed under
14 a public works contract would create a condition that would
15 jeopardize his or her life or the life, safety, or property of fellow
16 employees or the public at large, or the specific task to which the
17 apprentice is to be assigned is of a nature that training cannot be
18 provided by a journeyman.

19 (l) When an exemption is granted pursuant to subdivision (k)
20 to an organization that represents contractors in a specific trade
21 from the 1-to-5 ratio on a local or statewide basis, the member
22 contractors shall not be required to submit individual applications
23 for approval to local joint apprenticeship committees, if they are
24 already covered by the local apprenticeship standards.

25 (m) (1) A contractor to whom a contract is awarded, who, in
26 performing any of the work under the contract, employs
27 journeymen or apprentices in any apprenticeable craft or trade
28 shall contribute to the California Apprenticeship Council the same
29 amount that the director determines is the prevailing amount of
30 apprenticeship training contributions in the area of the public works
31 site. A contractor may take as a credit for payments to the council
32 any amounts paid by the contractor to an approved apprenticeship
33 program that can supply apprentices to the site of the public works
34 project. The contractor may add the amount of the contributions
35 in computing his or her bid for the contract.

36 (2) At the conclusion of the 2002–03 fiscal year and each fiscal
37 year thereafter, the California Apprenticeship Council shall
38 distribute training contributions received by the council under this
39 subdivision, less the expenses of the Department of Industrial
40 Relations for administering this subdivision, by making grants to

1 approved apprenticeship programs for the purpose of training
2 apprentices. The funds shall be distributed as follows:

3 (A) If there is an approved multiemployer apprenticeship
4 program serving the same craft or trade and geographic area for
5 which the training contributions were made to the council, a grant
6 to that program shall be made.

7 (B) If there are two or more approved multiemployer
8 apprenticeship programs serving the same craft or trade and
9 geographic area for which the training contributions were made
10 to the council, the grant shall be divided among ~~those programs~~
11 *all the approved multiemployer apprenticeship programs serving*
12 *the same craft or trade in California* based on the number of
13 apprentices registered in each program.

14 (C) All training contributions not distributed under
15 subparagraphs (A) and (B) shall be used to defray the future
16 expenses of the Department of Industrial Relations for the
17 administration and enforcement of apprenticeship standards and
18 requirements under this code.

19 (3) All training contributions received pursuant to this
20 subdivision shall be deposited in the Apprenticeship Training
21 Contribution Fund, which is hereby created in the State Treasury.
22 Upon appropriation by the Legislature, all moneys in the
23 Apprenticeship Training Contribution Fund shall be used for the
24 purpose of carrying out this subdivision and to pay the expenses
25 of the Department of Industrial Relations.

26 (n) The body awarding the contract shall cause to be inserted
27 in the contract stipulations to effectuate this section. The
28 stipulations shall fix the responsibility of compliance with this
29 section for all apprenticeable occupations with the prime contractor.

30 (o) This section does not apply to contracts of general
31 contractors or to contracts of specialty contractors not bidding for
32 work through a general or prime contractor when the contracts of
33 general contractors or those specialty contractors involve less than
34 thirty thousand dollars (\$30,000).

35 (p) An awarding body that implements an approved labor
36 compliance program in accordance with subdivision (b) of Section
37 1771.5 may, with the approval of the director, assist in the

- 1 enforcement of this section under the terms and conditions
- 2 prescribed by the director.

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